

SCHOOL DISTRICT OF THE CITY OF MUSKEGON HEIGHTS

Office of the Emergency Manager

Steven M. Schiller

Order 2016-10

**BY THE POWER AND AUTHORITY VESTED IN THE EMERGENCY
MANAGER FOR THE SCHOOL DISTRICT OF THE CITY OF MUSKEGON
HEIGHTS, MICHIGAN UNDER THE LOCAL FINANCIAL STABILITY AND CHOICE
ACT, PUBLIC ACT 436 OF 2012, AS AMENDED, MCL 141.1541 to 141.1575,**

**THE EMERGENCY MANAGER, STEVEN M. SCHILLER,
ISSUES THE FOLLOWING:**

**ORDER APPROVING THE SECOND AMENDED AND
RESTATED AGREEMENT FOR THE CONTINUED PROVISION
OF SERVICES BETWEEN THE SCHOOL DISTRICT OF THE
CITY OF MUSKEGON HEIGHTS AND THE MUSKEGON
HEIGHTS PUBLIC SCHOOL ACADEMY SYSTEM**

WHEREAS, Section 11a(4) of The Revised School Code, 1976 PA 451, as amended, MCL 380.11a(4), authorizes a general powers school district to enter into agreements or cooperative arrangements with other entities, public or private; and

WHEREAS, Section 1228 of The Revised School Code, 1976 PA 451, as amended, MCL 380.1228, authorizes, among other things, the board of a school district to enter into an agreement with a public school academy to the school district or pupils of the school district; and

WHEREAS, under Section 11a(3) of The Revised School Code, 1976 PA 451, as amended, MCL 380.11a(3), a general powers school district has all of the rights, powers, and duties expressly stated in The Revised School Code; may exercise a power implied or incident to a power expressly stated in The Revised School Code; and, except as provided by law, may exercise a power incidental or appropriate to the performance of a function related to operation of a public school and the provision of public education services in the interests of public elementary and secondary in the school district; and

WHEREAS, the School District of the City of Muskegon Heights is a general powers school district and the Muskegon Heights Public School Academy System (the “**System**”) is a public school academy and each are authorized to enter into an agreement under Section 1228 of The Revised School Code, 1976 PA 451, as amended, MCL 380.1228; and

WHEREAS, the School District for the City of Muskegon Heights (the “**District**”) is currently in receivership and under the supervision of an Emergency Manager appointed by the Governor (the “**Emergency Manager**”) under the Local Fiscal Stability and Choice Act, Public Act 436 of 2012, MCL 141.1541 to 141.1575(the “**Act**”); and

WHEREAS, the Emergency Manager has broad powers under the Act to rectify the District’s financial emergency and to assure the District’s fiscal accountability and capacity to provide or cause to be provided necessary governmental services essential to the public health, safety and welfare; and

WHEREAS, the Emergency Manager has been granted the authority under the Act to act for and in the place and stead of the District Board and the Emergency Manager has the power to exercise solely, on behalf of the District, all other authority and responsibilities affecting the District that are prescribed by law to the District Board; and

WHEREAS, as part of a financial and operating plan for the District and consistent with the Code, the emergency manager for the District determined that the issuance of a public school academy contract to an applicant to organize and operate the System is a viable option that will allow the emergency manager to provide for the delivery of public education services to residents of the District and also allow for the repayment of existing District debt obligations; and

WHEREAS, such an agreement was initially entered into on July 9, 2012 and the initial agreement was first amended and restated on April 26, 2014; and

WHEREAS, the Emergency Manager now wants to enter into an amended and restated agreement with the System for the purpose of assuring the continued provision of public educational services to residents of the School District of the City of Muskegon Heights, and

NOW, THEREFORE, IT IS HEREBY ORDERED THAT, that the attached Second Amended Restated Agreement for the Continued Provision of Services is hereby approved.

IT IS FURTHER ORDERED THAT, this Order may be amended, modified, repealed, or terminated by any subsequent Order issued by the Emergency Manager.

Dated: October 20, 2016

By:



Steven M. Schiller
Emergency Manager

4850-5204-2040.4